

**COMMISSIONERS**  
BOB STUMP – Chairman  
GARY PIERCE  
BRENDA BURNS  
BOB BURNS  
SUSAN BITTER SMITH



**ARIZONA CORPORATION COMMISSION**

**ORIGINAL**

**RECEIVED**

DATE: NOVEMBER 27, 2013

**2013 NOV 27 P 1:28**

DOCKET NO.: W-01392A-09-0273

**AZ CORP COMMISSION  
DOCKET CONTROL**

TO ALL PARTIES:

Enclosed please find the recommendation of Administrative Law Judge Marc E. Stern. The recommendation has been filed in the form of an Order on:

**OAK CREEK WATER COMPANY NO. 1  
(EXTENDING TIME DEADLINE CONTAINED IN  
DECISION NO. 72286)**

Pursuant to A.A.C. R14-3-110(B), you may file exceptions to the recommendation of the Administrative Law Judge by filing an original and thirteen (13) copies of the exceptions with the Commission's Docket Control at the address listed below by **4:00** p.m. on or before:

**DECEMBER 6, 2013**

The enclosed is NOT an order of the Commission, but a recommendation of the Administrative Law Judge to the Commissioners. Consideration of this matter has tentatively been scheduled for the Commission's Open Meeting to be held on:

**DECEMBER 17, 2013 and DECEMBER 18, 2013**

For more information, you may contact Docket Control at (602) 542-3477 or the Hearing Division at (602) 542-4250. For information about the Open Meeting, contact the Executive Director's Office at (602) 542-3931.

Arizona Corporation Commission

**DOCKETED**

**NOV 27 2013**

DOCKETED BY	
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**JODI JERICH  
EXECUTIVE DIRECTOR**

1200 WEST WASHINGTON STREET; PHOENIX, ARIZONA 85007-2927 / 400 WEST CONGRESS STREET; TUCSON, ARIZONA 85701-1347  
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This document is available in alternative formats by contacting Shaylin Bernal, ADA Coordinator, voice phone number 602-542-3931, E-mail [SABernal@azcc.gov](mailto:SABernal@azcc.gov).

1 **BEFORE THE ARIZONA CORPORATION COMMISSION**

2 **COMMISSIONERS**

3 BOB STUMP – Chairman  
4 GARY PIERCE  
5 BRENDA BURNS  
6 BOB BURNS  
7 SUSAN BITTER SMITH

8 IN THE MATTER OF THE APPLICATION OF  
9 OAK CREEK WATER COMPANY NO. 1 FOR  
10 APPROVAL OF AUTHORITY TO ISSUE LONG-  
11 TERM PROMISSORY NOTES OR BONDS AND  
12 OTHER EVIDENCE OF INDEBTEDNESS.

DOCKET NO. W-01392A-09-0273

DECISION NO. \_\_\_\_\_

**ORDER EXTENDING TIME**  
**DEADLINE CONTAINED IN**  
**DECISION NO. 72286**

13 Open Meeting  
14 December 17 and 18, 2013  
15 Phoenix, Arizona

16 **BY THE COMMISSION:**

17 \* \* \* \* \*

18 Having considered the entire record herein and being fully advised in the premises, the  
19 Commission finds, concludes, and orders that:

20 **FINDINGS OF FACT**

21 1. On May 4, 2011, the Arizona Corporation Commission ("Commission") issued  
22 Decision No. 72286 which approved an application by Oak Creek Water Company No. 1 ("Oak  
23 Creek" or "Company") for approval of an application to obtain long-term debt in an amount not to  
24 exceed \$440,000 at an interest rate not to exceed 6.60 percent per annum and for a period of no  
25 longer than 22 years. The source of this long-term financing for the Company was the Water  
26 Infrastructure Finance Authority ("WIFA").

27 2. As a condition of the Commission's approval for Oak Creek's securing the long-term  
28 financing, the Company was required to file, by September 1, 2013, with the Commission's docket  
control, as a compliance item in this docket, a copy of the Arizona Department of Environmental  
Quality ("ADEQ") Certificate of Approval of Construction ("AOC") for the proposed capital

1 improvements listed in Project No. 1 described in the Company's funding request.

2 3. On August 6, 2013, Oak Creek filed a request to extend the deadline for meeting the  
3 above-referenced condition until December 31, 2014.

4 4. In its request for an extension, the Company states that after obtaining a \$440,000 loan  
5 from WIFA, it spent a portion of its funds to finalize engineering drawings and specifications for the  
6 planned improvements to its system.

7 5. Oak Creek, in its request for an extension of time, cites several factors for the need for  
8 additional time to meet the Commission's condition for filing a copy of the AOC after it is issued by  
9 ADEQ. The Company stated that time was required to obtain the necessary right-of-ways from the  
10 U.S. Forest Service and private entities as the primary reason for the delays in construction.

11 6. The Company stated additionally, that it was soliciting bids and expected to make a  
12 selection of a contractor by August 31, 2013, after which it will take approximately 12 to 18 months  
13 to complete construction and obtain the necessary documentation to be filed with the Commission.

14 7. The Company also cited inclement weather during winter months that will require a  
15 work stoppage for several months.

16 8. On November 19, 2013, the Commission's Utilities Division ("Staff") filed a  
17 memorandum which states that Staff does not object to the Company's request for an extension of  
18 time to enable Oak Creek to file a copy of the AOC by December 31, 2014. Additionally, Staff  
19 indicated that the Company's attorney had been contacted, that Oak Creek had selected a general  
20 contractor, and that construction had begun on October 18, 2013. Based on these representations,  
21 Staff supports the Company's request for an extension.

22 9. Under the circumstances, the request by Oak Creek for an extension of time until  
23 December 31, 2014, in which to file a copy of the ADEQ AOC should be granted.

#### 24 CONCLUSIONS OF LAW

25 1. Oak Creek is a public service corporation within the meaning of Article XV of the  
26 Arizona Constitution and A.R.S. §§ 40-252, 40-285, 40-301, and 40-302.

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2. The Commission has jurisdiction over Oak Creek and of the subject matter of the request herein.

3. Staff's recommendation for the extension of time for Oak Creek to file a copy of the ADEQ AOC until December 31, 2014, should be adopted.

**ORDER**

IT IS THEREFORE ORDERED that Oak Creek Water Company No. 1 is hereby granted an extension of time, until December 31, 2014, to file a copy of the Arizona Department of Environmental Quality Certificate of Approval of Construction for the proposed capital improvements listed in Project No. 1 as described in Decision No. 72286.

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

CHAIRMAN

COMMISSIONER

COMMISSIONER

COMMISSIONER

COMMISSIONER

IN WITNESS WHEREOF, I, JODI A. JERICH, Executive Director of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of the Commission to be affixed at the Capitol, in the City of Phoenix, this \_\_\_\_\_ day of \_\_\_\_\_ 2013.

JODI JERICH  
EXECUTIVE DIRECTOR

DISSENT \_\_\_\_\_

DISSENT \_\_\_\_\_

MES:tv

1 SERVICE LIST FOR: OAK CREEK WATER COMPANY NO. 1

2 DOCKET NO. W-01392A-09-0273

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